

Kirklees Democracy Commission Cross Party Working Group – 9 March 2020

Growing Great Places – Kirklees Civic Crowdfunding Programme

1. Background and Context

In terms of the recommendations from the Democracy Commission report, Civic crowdfunding supports several priorities as follows: -

- Active Citizens in Civic Society. Civic crowdfunding is all about encouraging citizens to take an interest in what happens locally and to have a voice. Local people coming together to develop and grow ideas for the benefit of their community; whilst increasing connections, building skills and increasing agency.
- Local Democracy in a Networked Society. Civic crowdfunding is part of how digital technologies can enable citizens to get their voices heard. Anyone can pledge towards a local project, and they can post their comments and support; let everyone know why they want to see the project happen, and why others should join in too. It is an opportunity for the Council and Councillors to work with existing civic networks and active citizens online.
- Business Citizenship. There were a range of local business contributions to each of the eight successful projects in Round 1. The aim is to increase awareness of local business about Growing Great Places and the potential for their involvement and support. This will work towards how *Kirklees Council should work with local businesses to develop the idea of 'Business Citizenship' as part of delivering and Active Citizens Strategy with partners.*

In the context of the above Kirklees has committed to test and progress an approach to civic crowd funding which, over time, will align with our developing approach to citizen engagement using the Place Standard.

What is Civic Crowdfunding?

'Civic crowdfunding' is a type of crowdfunding through which citizens, often in collaboration with local government, propose, fund and deliver projects that aim to provide a community service or deliver value through a local area improvement project.

Project ideas are sourced from the crowd, who place them on an internet –based platform. Our ‘Growing Great Places’ crowdfunding movement is developed and delivered in partnership with ‘Spacehive’ – the UK’s leading civic crowdfunding platform: <https://www.spacehive.com/>.

Potential funders can search and make contributions to projects that match their areas of interest and values. It is seen as part of a new model of community involvement, allowing citizens to take an active role in the physical and social improvement of neighbourhoods.

Increasing numbers of local authorities (there are 32 other local authorities with Movements on the Spacehive platform), are adopting this model due to the numerous social and economic benefits it can deliver:

- Ability to leverage additional funds towards local area improvement projects.
- A new approach to citizen engagement and involvement.
- Ability to inform smarter investment decisions.
- Ability to increase innovation and experimentation whilst reducing the risk and cost of failure.
- Improved community cohesion and resilience.

Kirklees Growing Great Places Crowdfunding Programme

The ‘Growing Great Places’ Kirklees civic crowdfunding programme was launched at the media centre in Huddersfield on 23rd May 2019. All councillors were made aware and were invited to the launch and subsequent workshops. The launch and subsequent two workshops attracted a great deal of interest with attendance in excess of 130 individuals.

Eligibility criteria were developed for the funding along with the ‘pitching and pledging’ process and pledge levels and assessment process. These are attached at **Appendix 1**

Following the launch and workshops, expressions of interest were submitted for over 30 project ideas. From this, eleven projects were worked up and progressed through the first round of project creation, and crowdfunding campaigns took place between June and September 2019. Details of the results from round one of funding are outlined below.

2. Working Group Expectations and Progress Made

Vision and Purpose:

The following is the vision statement on the Growing Great Places movement pages on the Spacehive website:

“Our towns, villages and communities are the strength of Kirklees. Local people have asked us to do more to recognise this. We should all have a stake in the places where we live, work or visit. So, we’re celebrating our places by encouraging more great ideas. You might have a little idea that can have a big impact by bringing a place together, or you might need some help growing support for an ambitious project that’s just getting started. We want you to feel able to influence your community’s future. Growing Great Places is all about bringing people and places together. It’s part of our work to grow a stronger local democracy here in Kirklees, from the ground up.”

An overarching aim is to support access to additional investment for people across Kirklees towns, villages, neighbourhoods and communities who have good ideas for improving where they live, work, learn, visit and play. In other words, to help local people realise their ambitions and hopes for improving local places.

Additional Goals include:

- Align with and support other Council initiatives such as Place Standard.
- Support the development of more effective approaches to citizen engagement, with citizens having a more active say in their communities.
- Encourage and enable innovation, whilst reducing risks and the cost of failure.
- Generate ideas and resources from and for deprived communities.
- Enhance community cohesion and resilience.
- Keep barriers to participation as low as possible.

Results from the first round of funding (July 2019 to January 2020):

As previously mentioned, eleven projects progressed through the first funding round. Eight of the eleven projects that requested a pledge from the Council in this first round were successful in reaching their funding goals, and each is currently in the project delivery stage. The total pledged by the Council was £18,250. Across the 8 projects an additional £78,391 was pledged in total, with 509 backers from local individuals and local business.

The projects were spread almost evenly across North and South Kirklees; Batley and Spennings Dale, Dewsbury, Huddersfield and Rural (Dewsbury x 1, Batley x 2, Spennings Dale x 2, Huddersfield x 1, Rural x 2). Projects funded included a community allotment involving asylum seekers and refugees, a folk festival parade, two Christmas lights switch on events, two sports clubs’ grounds improvements, and an historic church clock face refurbishment). Details of all projects can be seen on the [Growing Great Places](#) website.

Spacehive use a partner calculator based on the size of the partner/Council fund, the maximum pledge size, the population size and the additional resource the team brings to the programme. Their calculator predicted that, in the first round of the programme Growing Great Places would have 15 pitches, 12 campaigns with the average value around £9.8k, and that the council would pledge to 6 projects, with 5 of those 6 being successful.

We received 11 pitches to the Council for a Pledge, and 10 of those projects started a campaign. The average value of the campaigns was £10,900. Smallest value was £3,555 and the largest, £23,445. Two of the campaigns did not really get started, due to the group wanting to start, but not having the capacity. The Council pledged to the remaining 8 projects.

The average pledge by Council was £1,906, and the total pledged by the Council was £18,250. The largest pledge was £4,000, and smallest, £1,250. All 8 of the projects that received a Council pledge were successful in reaching their target. This is an all or nothing model of fundraising, and if the target is not reached, no funding is taken from any of the pledgers/backers.

Round Two, Spring 2020

Round 2 of the funding is now underway. The South Kirklees Workshop took place on 28th Jan '20 and the North Kirklees Workshop on 4th Feb. 84 people attended, and there was really positive feedback.

32 projects have submitted an Expression of Interest form, and the Active Citizens and Places team offered support clinics during February and March. 10 projects have taken up this offer.

The deadline for projects to seek a pledge from the Council is 24th March. Assessments will take place in week beginning 11th May (or sooner, where projects achieve 15 to 20% of their target early on), and pledges publicised in week beginning 18th May.

Issues for the Working Group to address / Questions to Consider:

1. How to build increased knowledge and understanding of community crowdfunding and its potential; internally, with partners, and across communities of place and interest.
2. Ensure groups understand the need for a team/whole group approach to the process, what a campaign involves, and where, how and when local advice and support could be provided. We are putting together a user-friendly guide for groups that links to local sources of information and support.
3. Share success stories and enable peer support between groups. Grow familiarity and skills in online platform use, and social media marketing / networking.
4. Attract additional partner funds to the platform.
 - Community Plus, Community Infrastructure Fund.
 - Kirklees Trusts and Foundations; One Community, Schools Endowment.
 - Council Suppliers and Key Local Business.

Jackie Ingham, Active Citizens and Places Officer

Appendix 1

The Fund and Eligibility Criteria

Spacehive criteria:

For any project idea to be eligible for posting on the Spacehive platform:

The project must be tangible - Something must be created or changed. So, it cannot be a project to raise money for the general running costs of an organisation e.g. staff costs or rent. However, if for example a group were holding an event and part of the costs included rent of the space and the cost of a programme manager for the event, this would be acceptable, as they are essential costs for the delivery of the event.

Publicly shared space – projects need to happen in a place which is broadly open and welcoming to general members of the public. This does not mean it must be open to the public all the time, but it cannot be happening in a private residence which is only accessible to a small group of people.

Can be broken down – Campaigns can be part of a bigger project i.e. if the group have already raised the rest of the funds and the campaign is to bridge the gap. Projects can also be broken into phases, once each phase can be delivered.

Temporary or permanent – Projects can be temporary such as a pop- up event or seating for the summer, or permanent such as a long- term improvement to a building or space.

Council Funding Pot and Criteria:

Once Spacehive has established the project idea meets their criteria, and is Kirklees based and /or benefitting the people of Kirklees, then project get notified on the platform what local funds they have been matched to. At present this is the Growing Greta Places fund.

‘Growing Great Places’ has a pledge pot of £50,000 per annum for a three-year period. £35,000 of this has been set aside as the annual fund for constituted organisations, where they can receive a pledge of up to £5,000 from the Council. The remainder, £15, 000 is the fund for individuals or non- constituted groups, who could receive a pledge of up to £2,500.

The Council criteria for eligibility has been kept as broad as possible; that we are interested in “projects which bring people together to get involved in making their community better.” We ask projects to set out how their project will involve and include a wide range of local people and will also tap into local energy, skills, assets and creativity.

We also ask projects how they will contribute to one, or preferably more than one, of the shared outcomes in the Kirklees Council Corporate plan”.

To be eligible for Growing Great Places funding, your project must also:

- Benefit the people of Kirklees.
- Be run by residents, community organisations, charities or social enterprises ('not for profits').
- Have permission of the owners or landlords if they take place on land or buildings you do not own. This includes anything taking place on or needing access via roads, public green spaces and parks. The Council/we should be able to help with questions about permissions needed if the land, buildings, roads or parks are Council owned or managed.
- Be accessible to Kirklees residents and not seek to exclude anyone. (Projects promoting any one Political or Religious cause will not be considered for this fund).

All these questions are asked online, on the Spacehive platform, and the aim is that only one set of questions is asked to establish both overall project eligibility, viability and legality.

Questions are kept to a minimum but ensure that all projects will comply with the Kirklees grant funding policy.

The 'Pitching and Pledging' Process:

The intention is that the project creation and crowdfunding campaign process is as streamlined and as easy as possible for 'project creators'. Advice and support is available throughout, via the Spacehive platform itself, one to one support officer from Spacehive and from the Active Citizens and Places Team.

There is an eleven-stage process to Crowdfunding on Growing Great Places: -

1. Council launches the funding rounds (x 2 per annum, Spring and Autumn). This is advised via the Platform, Social Media, Community network contacts, Community Directory, Local media.
2. Two community workshops take place; one North and one South Kirklees to introduce the concept and take groups through the process.
3. Groups or individuals interested, submit an expression of interest to Spacehive, who then provide support to get the project idea up and onto the platform.
4. Active Citizens and Places Team offer support clinics to project creators who might need support with Council licences, permissions, or links to local support organisations and networks.
5. Get feedback from the community and through the clinics and use feedback to refine the project proposal.
6. Locality – on behalf of Growing Great Places and Spacehive carries out a verification of the project and creator. This is the due diligence step to ensure that the group has the capacity, and everything needed in place to enable them to legally and safely deliver the project.

7. The crowdfunding campaign gets underway; with projects reaching out to as many supporters as they can to seek pledges.
8. Projects are matched to any partners on the Spacehive and Movement pages, Growing Great Places fund, and any other national or local funding pots.
9. Receive pledges from the community of backers.
10. Attract funds from Spacehive partners.; the Council, and any other partners, and either reach their funding target by the agreed date, or not
11. If they reach their target, then all pledged funding is released to them. They then bring the project to life.

Pledge Levels and Assessment Process:

The maximum funding available to constituted groups is £5,000 or 50% of their crowdfunding target, whichever is the lesser amount. (e.g. if the overall project target is £6,000 the maximum the Council would pledge would be £3,000). The maximum funding pledge available to non-constituted groups or individuals is £2,500, or 50% of your target for the project, whichever is the lesser amount.

Pledge Levels

- All projects seeking a pledge from the Council through the Growing Great Places funding pot will be asked to answer a few questions specific to applicants to the fund. The same questions are asked of every applicant to the fund.
- The answers to these questions are assessed by the Active Citizens and Places Team, and a score recommended. The score informs the recommendation made as to the level of funding between 0 and 50% of the total project target (up to a maximum of £5,000), based on the amount applied for, and the assessment outcomes and recommendations.
- This assessment is then reviewed, and a final decision taken by the Cabinet Lead for Housing and Democracy and the Strategic Director – Corporate Strategy, Commissioning and Public Health., for fairness and transparency.

Scoring:

The projects are scored out of a total of 25.

There is weighting to the scoring, with 40% or a possible maximum of 10 marks available for the quality of the project idea, Projects will be assessed on how they have advised they will make their place better, what corporate outcomes they will help deliver, and how well they will empower, include and involve local people. There is another 40% or possible maximum of 10 marks for the level and nature of local support for the project.

A maximum of 5 marks (20%) of score will be allocated for project readiness and value for money.

We will tick off criteria and use a sliding scale of “poor” to “excellent”. For scores out of 10: “Poor” (0-2), “Average” (3-4), “Good” (5-6), “Very Good” (7-8), and “Excellent” (9-10).

For scores out of 5: “Poor” (1), “Average” (2), “Good” (3), “Very Good (4), “Excellent (5).

The score can be used to determine how much the council would pledge to the project as follows:

- 10/25 = 25 % of project value or max £2,500
- 11-13/25 = 30% of project value of max £3,000
- 14-16/25 = 35% of project value or max £3,500
- 17-19/25 =40% of project value or max £4,000
- 20-22/25 = 45% of project value or max £4,500
- 23-25/25 = 50% of project value or max £5,000

The scoring methodology and decision-making process was developed and informed by a review of the processes adopted by other authorities with civic crowdfunding programmes, with similar level pots of funding, as well as similar criteria and desired outcomes.